Review Comments on Oregon's NPS Program Progress in (calendar year) 2012

Utilization of Oregon's Clean Water Act (CWA) Section 319 Funding Allocation

As indicated in the Annual Report, yearly CWA Section 319 funding provided by EPA to Oregon is split between the Oregon Performance Partnership Grant (PPG) - to fund staff supporting the NPS program - and a separate 319 grant funding local 319 projects. Last year, approximately 42% ($905,000) of Oregon's total FY 2012 Section 319 funding allocation of $2,172,000 was directed to twenty-six (26) 319 projects. The remainder of the State 319 allocation was directed to the PPG to fund approximately nine positions supporting NPS program management and administration, Total Maximum Daily Load (TMDL) development and implementation (including watershed-based planning efforts), and related program functions.

Thank you for including descriptions in the Annual Report of how 319 funds were used under both the PPG to support specific NPS/319 program priorities and commitments , and under the yearly 319 grant to fund local 319 projects throughout the state.

Local 319 Project Implementation

The Annual Report describes the process ODEQ used to evaluate local projects for funding in 2012 under the State geographic and programmatic priorities. The projects include riparian restoration, best management practices (BMPs) and TMDL implementation, the Pesticide Stewardship Program (PSP), and education and outreach. ODEQ also leverages the federal 319 grant funds with Oregon Watershed Enhancement Board (OWEB) salmon recovery funding, as described in the Oregon Plan for Salmon and Watersheds. The EPA continues to strongly support these cooperative NPS funding efforts.

The progress of all local 319-funded projects during 2012 is summarized (and examples provided) in the Annual Report. Thank you for including this summary. Due to the State 319 grants being awarded by the EPA yearly, each with multiple-year grant periods, a considerable number of individual 319 projects (over 40) were in progress during 2012. In 2012, twenty-six (26) new projects were funded. Due to concerns in the 319 program nationally about unexpended 319 funds, we appreciate ODEQ's continued successful management and completion of these sub-grant watershed projects within the grant time period. We also commend the ODEQ regional offices conducting project oversight and monitoring, and providing local technical assistance.

Impaired Waters, TMDLs, and Watershed-Based Plans

Most impairments to Oregon waterbodies result from nonpoint sources. Many of the impairments are to temperature and bacteria, in addition to the pollutant loads tracked nationally. The Annual Report describes the process and timeline for developing TMDL implementation plans through the Designated Management Agencies (DMAs), ODEQ's oversight role, and efforts to incorporate the nine key watershed-based plan elements into the implementation plans.

The Annual Report describes in detail ODEQ's overall Watershed Approach, which consists of two

primary components: a Basin Status Report and a Basin Action Plan. These have been completed for the North Coast, Deschutes, and Rogue Basins, with three more planned to be completed per year statewide. The next ones to be completed include Clackamas and Sandy River, South Coast, and Power/Burnt. This broader watershed planning process (addressing various water program areas and actions within a basin) may also inform the development of watershed-specific TMDLs. The Annual report also describes ongoing efforts to integrate the nine watershed-based elements with TMDL implementation plans and to develop "Implementation-Ready" TMDLs within the coastal zone (further discussed below). The EPA supports ongoing ODEQ efforts to incorporate the watershed-based planning and prioritization approaches to guide implementation of state 319 projects. The Annual Report also describes TMDLs approved or under development in 2012.

State Revolving Fund NPS Projects

ODEQ provided three additional loans in 2012 (totaling just over $15 million) through the Clean Water State Revolving Fund (CWSRF) loan program for NPS projects. These included two loans to irrigation districts (Farmers and Three Sisters) serving central Oregon (to maintain minimum flows and reduce water loss and turbidity), and one to the Clackamas County Soil and Water Conservation District (to finance stream protection projects in that watershed).

Since 2004 Oregon's CWSRF program has provided $75 million for NPS improvement projects. The EPA strongly supports the use of CWSRF financing for NPS pollution control projects, especially given the decline in available 319 funding, and looks forward to working with ODEQ to continue to leverage CWSRF and 319 funding.

Drinking Water Protection, and Groundwater Management Areas

Nonpoint sources also contribute to groundwater contamination in the State. The Annual Report provides a detailed update on ODEQ and other state agency involvement in groundwater protection activities, including source water assessments and plans, watershed-specific protection strategies, smart growth projects, model ordinances, a GIS demonstration project in the Tualatin Watershed, continued drinking water contaminant monitoring and analyses, pesticide collection events, development of a BMP database for 88 contaminants, and participation in development of ODEQ's Harmful Algal Bloom Strategy.

Concern over elevated nitrate in groundwater led to designation by ODEQ of the Southern Willamette Valley, Lower Umatilla Basin, and Northern Malheur County as Groundwater Management Areas (GWMAs) and subsequent actions which have been undertaken to reduce nitrate concentrations, as indicated in the Annual Report. Of particular note are ongoing activities to date (education, outreach, groundwater monitoring, and inter-agency coordination) within the Southern Willamette GWMA and further tasks implementing the Action Plans and specifically addressing nitrates within the Lower Umatilla and Northern Malheur GMAs in 2012.

Coastal Nonpoint Pollution Control Program

The Annual Report provides an update for 2012 on Oregon's Coastal Nonpoint Pollution Control

Program (CNPCP) under Section 6217 of the Coastal Zone Act Reauthorization Amendments of 1990 (CZARA). The State program is conditionally approved by the National Oceanic and Atmospheric Administration (NOAA), and EPA, subject to three outstanding measures pertaining to new development, on-site sewage disposal, and additional forestry management.

Pursuant to the subsequent Settlement Agreement, a process and timeline for actions addressing the remaining management measures was initiated in 2010, as outlined in the Annual Report. These include the development of "Implementation Ready" TMDLs within the coastal basins to ensure water quality protection from forest practices. They will also provide direction to smaller scale TMDL plans specifying where and when actions and restoration projects will be implemented. As previously discussed, ODEQ completed development of three "Basin Scale" plans (including the coastal Rogue and North Coast Basins) to be followed by more-specific "Implementation-ready TMDLs. In addition, proposed new development and on-site disposal system actions needed to achieve program approval are being developed. This includes the development of TMDL Implementation Guidelines. Both NOAA and EPA reviewed and provided comments on these proposed approaches during 2012.

EPA will continue to work with NOAA and ODEQ to ensure all actions are achieved under the prescribed settlement agreement with the goal of full CNPCP approval. We thank ODEQ for all the efforts toward meeting the remaining management measures and reporting on the continued progress of these proposed actions in the Annual Reports.

Water Quality Monitoring and Assessment

The Annual Report describes monitoring and assessments conducted throughout the state in support of TMDLs, water quality standards reviews, toxics reduction efforts, groundwater management, the ambient monitoring program, and volunteer efforts. ODEQ completed development of a draft toxics reduction strategy in 2011. During the year the state also adopted human health criteria based on a revised fish consumption rate. The Annual Report highlights ODEQ's further involvement in toxics monitoring on a watershed basis in 2012, the ongoing review of sampling plans and data, technical assistance to state organizations, and sampling in three of the designated groundwater management areas.

Water quality monitoring is critical to the NPS program (and watershed-based planning framework) in order to identify water quality problems, set project priorities, and assess the effectiveness of implementation. We appreciate the summary of monitoring efforts in the Annual Report and fully encourage all monitoring in support of the NPS program statewide.

Agricultural Lands and Pesticide Stewardship Partnerships

The Annual Report describes how ODEQ is addressing water quality issues on agricultural lands through coordination with the Oregon Department of Agriculture (ODA), the National Resources Conservation Service (NRCS), the state Soil and Water Conservation Districts (SWCDs), and other organizations. ODA is responsible for developing State Agricultural Water Quality Management Plans and meeting water quality standards and TMDL load allocations on agricultural lands, and works directly with the local SWCDs. ODEQ participates in the review of those plans and coordinates with

ODA (e.g. on pesticides and toxics issues). The Annual Report also cites ODA compliance actions, and outreach activities by ODA and the SWCDs. In 2012 DEQ and ODA also completed and signed a Memorandum of Agreement (MOA).

Progress under the Pesticide Stewardship Partnerships (PSPs) continued in 2012 within Eastern Oregon and the Willamette Valley, including monitoring, outreach, education and the collection events. The Annual Report cited significant reductions in the concentration of herbicides and pesticides in the Walla Walla and Wasco County watersheds respectively as well as continued improvements in the Hood River Watershed. The use of 319 funds for the pesticide program has strengthened water quality protection efforts through community involvement, education, data collection, and BMP implementation actions.

The Annual Report describes the Conservation Effectiveness Partnership and MOU previously initiated in 2010 between ODEQ, NRCS and OWEB with the goal of evaluating the effectiveness of funded restoration actions.

The MOU identified two pilot studies undertaken in the Tillamook Bay watersheds and the Upper Deschutes sub-basin to examine the effectiveness of actions (e.g. to address bacteria and temperature) in order to better coordinate and direct restoration efforts. The evaluation of monitoring data, indicating positive trends in these watersheds, continued in 2012 and outreach efforts have been initiated with the support of NRCS. We appreciate these efforts and acknowledge ODEQ coordination with NRCS (including participation on the state and local NRCS technical advisory committees) to better identify project priorities, success stories, and address NPS pollutants from agricultural lands.

Forests and Rangelands

The Annual Report describes efforts to address water quality issues on forests and rangelands. ODEQ continued to participate with the Oregon Department of Forestry (ODF) on the RipStream (Riparian Function and Stream Temperature) project, which is evaluating whether current riparian protections on fish-bearing streams are adequate to meet water quality standards for temperature. The results of the initial analysis (on state forest lands and private lands) are presented in the Annual Report. Coordination also continued between ODEQ and the U.S. Forest Service (USFS) and the Bureau of Land Management (BLM) through the respective MOUs with those agencies on federal lands. TMDLs are implemented on USFS and BLM lands (as the federal DMAs) through Water Quality Restoration Plans (WQRPs). The key findings of the final draft DEQ/BLM/USFS five-year MOA progress report, status of restoration projects, and needed areas for improvement were cited in the Annual Report. An updated DEQ/BLM MOU was completed in 2011, and the final draft of the DEQ/USFS MOU was completed in 2012.

The EPA strongly supports ODEQ collaborative partnerships with the ODF, USFS, and BLM addressing watershed protection and restoration activities on private, state, and federal lands. The EPA also agrees with the stated need for the agency MOUs and actions to focus on implementation, monitoring, and achievement of water quality standards.

Measuring Progress under the NPS Program (Load-reductions and Success Stories)

Section 319 of the CWA requires states to report annually on: (1) progress in meeting NPS Program milestones, (2) reductions in NPS loading, and (3) improvements in water quality resulting from NPS program implementation. National NPS program measures were developed under these objectives, including WQ-10 (NPS-impaired waterbodies which are partially or fully restored as documented through Success Stories), WQ-9 (reductions in nitrogen, phosphorous, and sediment from 319 projects through the Grants Reporting and Tracking System (GRTS), and SP-12 (water quality improvement on a watershed basis). We appreciate the efforts by ODEQ to document improvements to water quality resulting from NPS implementation and 319 funding.

Documentation for partial or full restoration/attainment of water quality standards (WQ-10) is through publication on the EPA's Success Stories website. Oregon has one WQ-10 Success Story for Diamond Lake. Stories which do not yet count toward WQ-10, but do document progress toward attainment of water quality standards, or document ecological restoration, can also be published on that website. Excellent examples of published "progress" success stories for Oregon include the Bear Creek Watershed (phosphorous reductions), published in 2010, and the Tualatin River watershed (phosphorous, chlorophyll *a*, pH, and bacteria improvements), published in 2011. The Annual Report also highlights ODEQ success stories resulting from restoration actions and BMPs implemented in other watersheds throughout the state. We appreciate the assistance ODEQ provided to develop and highlight these stories.

Annual nitrogen, phosphorous, and sediment load reductions from 319 projects were modeled and entered into GRTS by ODEQ, and summarized in the Annual Report. The load reduction estimates for projects reported for 2012 totaled 6,095 pounds/year nitrogen, 2,136 pounds/year phosphorus; and 1,295 tons/year sediment. We commend Oregon for continued progress in reporting load reductions by the yearly March 15th national deadline while recognizing that other impairments (e.g. bacteria, temperature) are also being addressed by 319 projects in Oregon watersheds.

Update of Oregon's 2000 Nonpoint Source Management Plan

A primary EPA management goal stemming from the national nonpoint source program study which EPA prepared for the Office of Management and Budget in 2011 was for 50% of the state NPS management plans (which are outdated) to be updated by the end of FY 2013. EPA provided further guidance on the focus and content of these updated plans in 2012. The NPS plan elements outline the general approach, particularly as pertains to the updating of program goals, priorities, milestones, and cooperative agency involvement.

We understand ODEQ is in the process of updating Oregon's 2000 NPS Management Plan and has included in the PPG the commitment to complete the update in 2013. We will assist in the review of the draft plan, when anticipated, prior to it being finalized and submitted for EPA approval. State NPS plan updates should then provide the framework for prioritization of watershed projects, the annual Section 319 grant/PPG workplans and reviews, and the yearly NPS program progress determinations.